

June 12, 1997

DURHAM, NORTH CAROLINA
THURSDAY, JUNE 12, 1997
8:30 A.M.

Pursuant to the proper notification, the Durham City Council held a special meeting on the above date and time in the Committee Room with the following members present: Mayor Kerckhoff, Mayor Pro Tem Robinson and Council Members Clement, Cox, Engelhard, Griffin, Hyman, Langley, Larson, McKissick, Miller and Wright. Absent: Council Member Brown.

Also present: Interim City Manager Cecil Brown, City Attorney William I. Thornton, Jr., City Clerk Margaret M. Bowers and Deputy City Clerk D. Ann Gray.

Mayor Kerckhoff called the meeting to order and asked for priority items from the City Manager, City Attorney and City Clerk. **[No priority items]**

SUBJECT: CLOSED SESSION - COMPENSATION FOR THE CITY MANAGER, CITY ATTORNEY AND CITY CLERK

MOTION by Council Member Clement seconded by Council Member Wright to go into closed session for the purpose of establishing the compensation and other materials in terms of the proposed employment contract for the new City Manager, said City Attorney, and consider the conditions of the initial employment for those two individuals; and to consider the performance of the City Clerk was approved at 8:40 a.m. by the following vote: Ayes: Mayor Kerckhoff, Mayor Pro Tem Robinson and Council Members Clement, Cox, Engelhard, Griffin, Hyman, Larson, McKissick, Miller and Wright. Noes: None. Absent At Time Of Vote: Council Member Langley. Absent: Council Member Brown.

SUBJECT: WEST VILLAGE PROJECT - BLUE DEVIL VENTURES

To adopt a "City of Durham Capital Project Ordinance - West Village Project."

To adopt a policy establishing a Downtown Infrastructure Fund to be capitalized from 50% of the City's property taxes for a rolling six-year period. The first use of the money in this account will be to replace urban trails funds appropriated for the West Village Project. Remaining Funds to be available for other downtown infrastructure improvements.

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To adopt a "Capital Project Ordinance Superseding Ordinance #10767 Concerning Open Space and Greenway Preservation."

To adopt a Reimbursement Resolution concerning the West Village Project.

Mayor Kerckhoff read the following letter from the Blue Devil Ventures:

June 9, 1997

Dear Mayor Kerckhoff:

Our group greatly appreciates the time and effort you've devoted to our project since October 1995. Also, we are very thankful to your dedicated staff and the City Council for looking at ways the public may be involved in the financing of this landmark project in downtown. Your staff and our development team have developed a strong majority when it comes to the following facts:

1. The project as designed is a very strong development plan
2. The project as designed should stimulate additional economic development in the area, and
3. The project as designed has considerable public purpose and can justify public participation.

However, there does not seem to be any way to make the public participation a reality without considerable delays.

The project has considerable risks which need to be managed in order to make the West Village a reality. The major risks currently facing the developer involve large carrying costs, interest rate risk, rising construction costs, and the proposed delivery schedule of the project. It is for these reasons that we must move the project forward at this time. Although we believe the initial site plan creates the biggest initial boost to downtown Durham, our revised site plan, which excludes the proposed E-W and N-S trailsystem and reduces the public infrastructure improvements in and around the West Village, is still a very good private development and will provide a major stimulus to the area and beyond.

Again, our team appreciates the time you, your staff, and the City Council have put into our project. We look forward to continuing to work with you, the City Council, and the staff downtown to receive the necessary permits and approvals this summer in order to move the project into the construction phase this fall.

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Sincerely,

Thomas M. Miemann
Managing Partner

MOTION by Council Member Larson seconded by Council Member Miller to receive the withdrawal from Blue Devil Ventures was approved at 8:45 a.m. by the following vote: Ayes: Mayor Kerckhoff, Mayor Pro Tem Robinson and Council Members Clement, Cox, Engelhard, Griffin, Hyman, Langley, Larson, McKissick, Miller and Wright. Noes: None. Absent: Council Member Brown.

Council Member Cox read the following letter from the Durham Business and Professional Chain, Inc.

June 11, 1997

Dear Council Members:

This is a letter to state our position on the above mentioned project. It has come to our attention at the Durham Business and Professional Chain's Economic Committee meeting that the document titled "Blue Devil Ventures Community Participation Plan" in which it is stated on page #2 under paragraph marked "General" that Blue Devil Ventures has had several meetings with The Durham Business and Professional Chain is not a true statement. In Area #5 under paragraph marked residential units (tenant mix) The Durham Business and Professional Chain is mentioned with many other groups but not included in any of the marketing and diversity efforts.

Blue Devil Ventures have not met with and presented their MBE plan to the Durham Business and Professional Chain. The plan does not have a clear enforcement or verification provision for the minority participation goal. This appears to be a good plan with good potential. At this time our concerns regarding the necessary monitoring and enforcement have not been entertained; therefore, we cannot endorse their proposal.

We hope in the future when organizations or development groups decide to imply that we support their projects or endorse them that they ask the Durham Business and Professional Chain to put along with their documents endorsement letters in writing to the City Council. There has been no change on our position as of this date. We do not endorse the "Blue Devil Ventures Community Participation Plan or Project."

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Thank you for your time.

The Economic Committee of the
Durham Business and Professional Chain

At this time, a Closed Session was held by the Council.

[Open session]

MOTION by Council Member Clement seconded by Council Member Miller that the salaries for the City Manager, City Attorney and City Clerk be as follows effective July 1, 1997:

1. City Manager - \$114,000 Annually, Provide two-year retirement benefits, Provide three-month reasonable relocation and housing expenses and \$5,400 car allowance per year.
2. City Attorney - \$105,000 Annually
3. City Clerk - \$65,000 Annually, and

To adopt an ordinance amending the Salaries of the City Manager, the City Attorney, and the City Clerk was approved at 9:15 a.m. by the following vote: Ayes: Mayor Kerckhoff, Mayor Pro Tem Robinson and Council Members Clement, Cox, Engelhard, Griffin, Hyman, Langley, Larson, McKissick, Miller and Wright. Noes: None. Absent: Council Member Brown.

Ordinance #11149

There being no further business to come before the Council, the special meeting was adjourned at 9:16 a.m.

D. Ann Gray
Deputy City Clerk

Margaret M. Bowers, CMC
City Clerk